



The Daily Brief

 Capricorn Asset Management

Economic Headlines

Monday, 05 November 2018

A Synchronized Slowdown Is Looming: World Economy This Week

The trade war is starting to hurt China's economy for good, with manufacturing output on the verge of contraction and export orders at a two-and-a-half low. The government in Beijing is prepared to respond with further stimulus but this may not be enough... The chill is also hitting Europe, where the pace of growth halved in the third quarter even as inflation accelerated. For now the European Central Bank may put a brave face on the data but companies are unconvinced. With Italy stagnating and Germany set to do the same, only Spain remains as a bright spot. Emerging markets ended October in the red. This leaves the U.S. to drive global growth... economists expect U.S. growth will moderate in 2019... The Federal Reserve never had it so good on inflation but labor costs heating up set the stage for more rate hikes... The ECB is still on track to end bond-buying this year – yet it won't raise rates much above zero before the next recession... In emerging markets, South Africa's central bank sees higher rates... – [Bloomberg](#)

U.S. Sanctions on Iran Oil Sales Snap Back as Trump Fulfills Vow

U.S. sanctions lifted as part of the 2015 nuclear accord with Iran snapped back at midnight New York time as President Donald Trump fulfills his vow to ramp up pressure on the Islamic Republic over its "malign" behavior in the Middle East, its ballistic missile tests and its nuclear program. Secretary of State Michael Pompeo is scheduled to announce the list of eight countries that will get temporary waivers to keep importing Iranian oil at 8:30 a.m. Washington time on Monday... Global benchmark Brent crude has fallen about 15 percent from over \$85 a barrel last month on increasing speculation that at least some nations would get waivers, as well as signs that other OPEC members will pump more to offset any supply gap. – [Bloomberg](#)

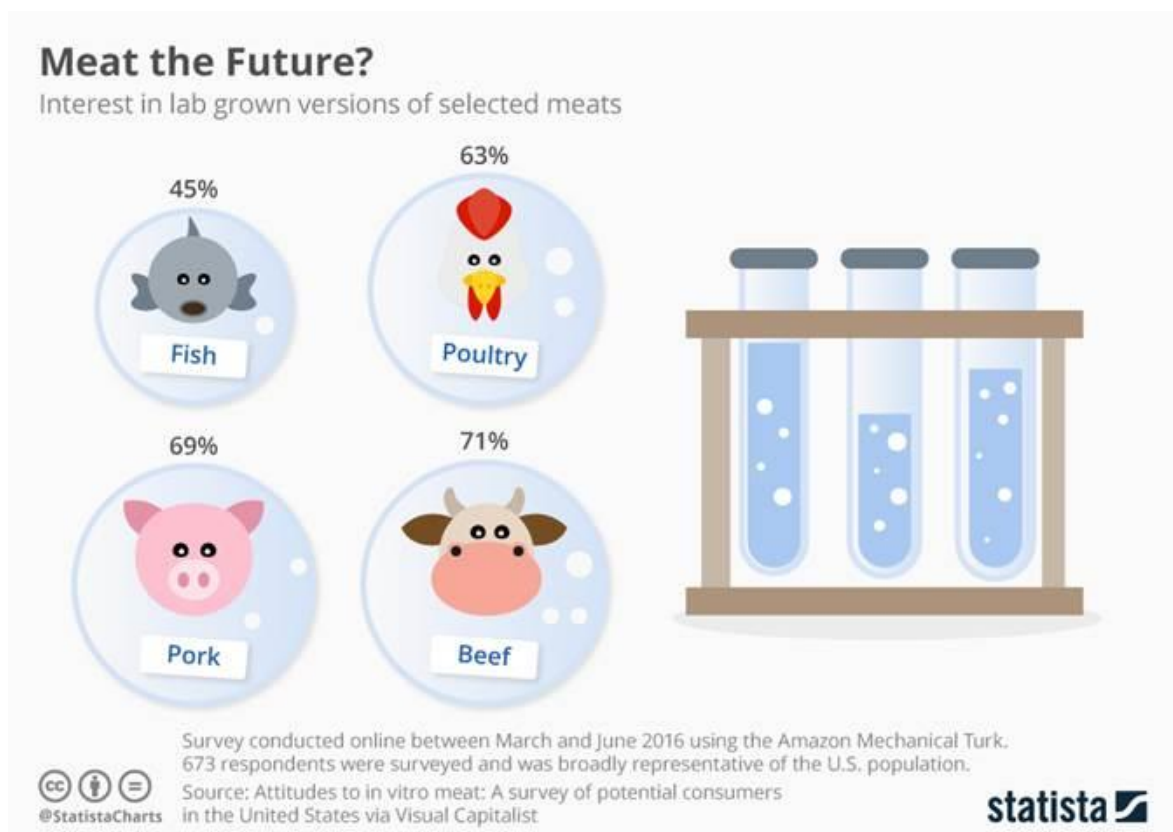
Striking workers block access to Gold Fields mine

Striking workers at Gold Fields have blocked access to the company's South Deep mine in South Africa and are intimidating other employees, spokesman Sven Lunsche said. A small team of workers is only able to perform essential services like pumping water from the mine, Lunsche said Saturday by phone. The strike, involving more than 3 000 workers, started Friday afternoon to protest the gold miner's plan to cut jobs... The work stoppage will continue until the company abandons its plans to reduce the Number of workers, Kanetso Matabane, a branch chairman for the National Union of Mineworkers, said. The Num represents about 80% of the mine's 3 614 workers and 2 214 contractors. "The strike has total support of workers," Matabane said by phone. The Johannesburg-based company has started a process to cut 1 100 employees and 420 contractors at South Deep, its only operation left in South Africa. South Deep is the world's second-biggest known body of gold-

bearing ore and has the potential to produce for 70 years, yet more than a decade of poor performance has weighed on the company. – [Moneyweb](#)



Stats of the Day



Data Releases

Local Time	Country	Indicator Name	Period
03:45	China (Mainland)	Caixin Services PMI	Oct
09:15	South Africa	Std Bank Whole Econ PMI	Oct
11:30	South Africa	Business Confidence Idx	Oct
11:30	Euro Zone	Sentix Index	Nov
15:45	United States	Markit Comp Final PMI	Oct
15:45	United States	Markit Svcs PMI Final	Oct
17:00	United States	Employment Trends	Oct
17:00	United States	ISM N-Mfg PMI	Oct
17:00	United States	ISM N-Mfg Bus Act	Oct
17:00	United States	ISM N-Mfg Employment Idx	Oct
17:00	United States	ISM N-Mfg New Orders Idx	Oct
17:00	United States	ISM N-Mfg Price Paid Idx	Oct
18:00	United States	Export Wheat Inspected	29 Oct, w/e
18:00	United States	Export Corn Inspected	29 Oct, w/e
18:00	United States	Exp Soybean Inspected	29 Oct, w/e

Source: Thomson Reuters

Market Overview

Money Market		Change	Latest
3 months	↓	-0.01%	7.02%
6 months	→	0.00%	7.68%
9 months	↑	0.01%	8.01%
12 months	→	0.00%	8.40%
Bonds		Change	Latest
GC21 (R208: 7.59%)	↓	-0.10%	8.45%
GC24 (R186: 9.16%)	↓	-0.11%	10.46%
GC27 (R186: 9.16%)	↓	-0.11%	10.56%
GC30 (R2030: 9.62%)	↓	-0.10%	11.12%
GC32 (R213: 9.7%)	↓	-0.11%	11.43%
GC35 (R209: 9.85%)	↓	-0.10%	11.35%
GC37 (R2033: 9.8%)	↓	-0.11%	11.73%
Commodities		%Change	Latest
Gold	↑	0.18%	\$ 1,235.70
Platinum	↑	0.59%	\$ 864.43
Copper	→	0.00%	\$ 6,090.00
Brent Crude	↑	0.58%	\$ 72.49
Main Indices		%Change	Latest
NSX (Delayed)	↑	0.56%	1283.95
JSE All Share	↑	2.53%	54,934.64
S&P 500	↑	1.06%	2,740.37
FTSE 100	↑	0.67%	7,162.68
Hangseng	↑	4.21%	26,486.35
DAX	↑	1.28%	11,615.22
JSE Sectors		%Change	Latest
Financials	↑	3.64%	16,654.05
Resources	↑	1.95%	42,521.76
Industrials	↑	2.86%	66,963.75
Forex		%Change	Latest
N\$/US Dollar	↓	-0.52%	14.3329
N\$/Pound	↓	-0.34%	18.6751
N\$/Euro	↓	-0.22%	16.4009
US Dollar/ Euro	↑	0.31%	1.1443
Namibia Monthly Data		Latest	Previous
Namibia Inflation (Sep 18)		4.8	4.4
Bank Prime		10.50	10.50
BoN Repo Rate		6.75	6.75

Source: Bloomberg



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